



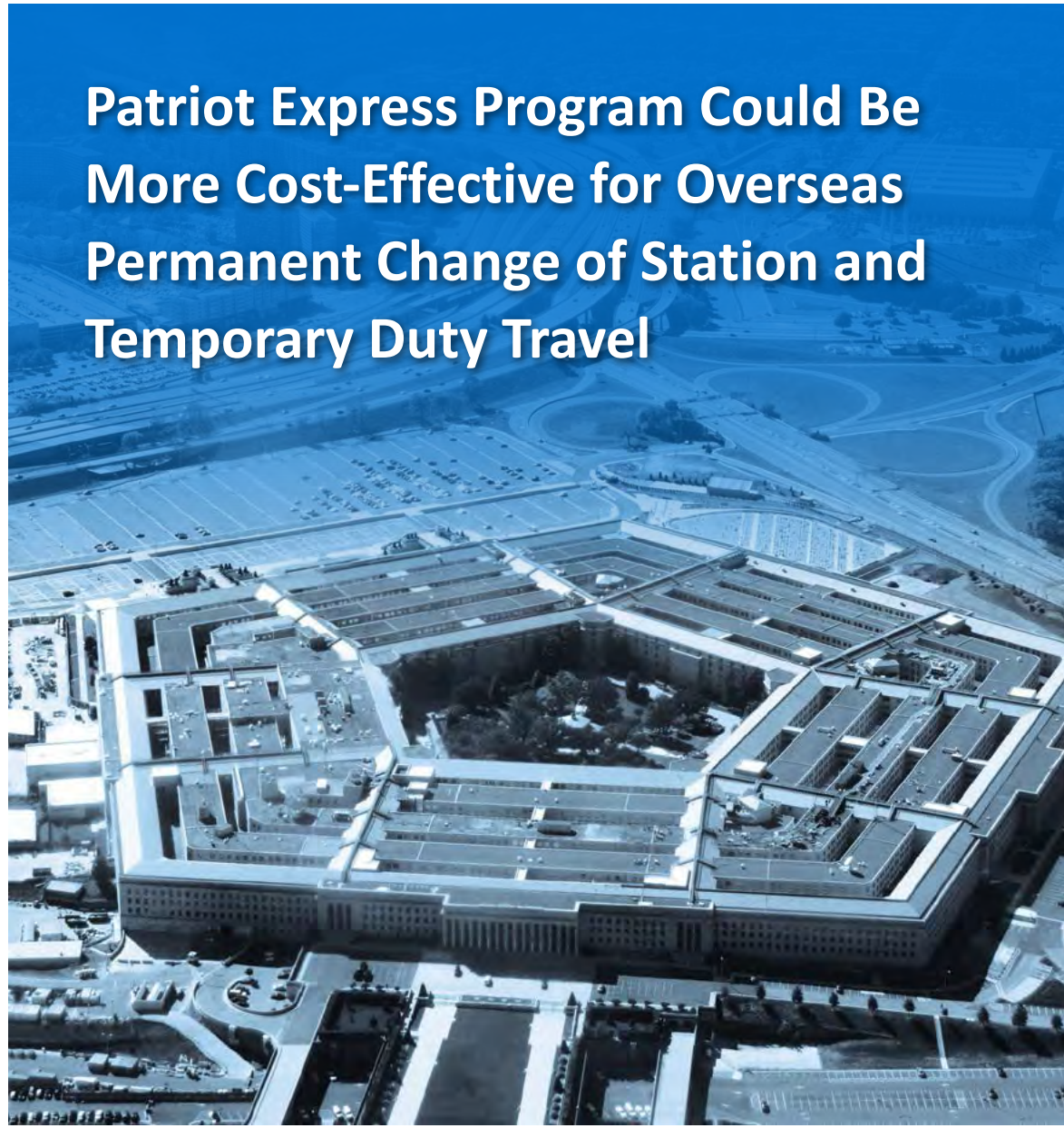
# INSPECTOR GENERAL

*U.S. Department of Defense*

JULY 6, 2015



## Patriot Express Program Could Be More Cost-Effective for Overseas Permanent Change of Station and Temporary Duty Travel



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# Results in Brief

## *Patriot Express Program Could Be More Cost-Effective for Overseas Permanent Change of Station and Temporary Duty Travel*

July 6, 2015

### Objective

The objective of the audit was to determine whether using Patriot Express channels for overseas permanent change of station and temporary duty travel was cost-effective to DoD.

### Finding

Although the Patriot Express flights were not always the most economical mode of transportation for DoD personnel traveling overseas, the program is an integral component to support DoD readiness and force protection. In addition, for the five nonstatistically sampled routes we reviewed, DoD did not maximize the use of available seats on Patriot Express flights that U.S. Transportation Command purchased through the Civil Reserve Air Fleet Program contracts. This occurred because:

- U.S. Transportation Command personnel did not consider all transportation costs when it evaluated the economic feasibility of Patriot Express channels;
- passengers did not always take booked Patriot Express flights;
- U.S. Transportation Command did not have a documented process before June 2014 to forecast future years' Patriot Express passenger requirements; and
- some Military Services did not have controls in place to ensure that the transportation office personnel checked Patriot Express availability for passengers traveling overseas.

### Finding (cont'd)

As a result, DoD did not maximize its return on investment in the Patriot Express Program and overpaid for overseas travel.

### Recommendations

Among other recommendations, we recommended that the Commander, U.S. Transportation Command perform transportation feasibility studies on all Patriot Express channels to evaluate the economics of using Patriot Express for permanent change of station and temporary duty travel. We also made recommendations to the Chief of Staff, Army G-4; the Commander, Naval Supply Systems Command; the Director, Headquarters Air Force Logistics; and the Director, Marine Corps Logistics Plans, Policy, and Strategic Mobility.

### Management Comments and Our Response

Comments from the Commander, U.S. Transportation Command, did not address all specifics of Recommendations 1.a, and 1.b. Comments from the Chief of Staff, Army G-4, addressed all specifics of Recommendation 2.a and partially addressed Recommendation 2.b. Comments from the Commander, Naval Supply Systems Command, and Director, Headquarters Air Force Logistics, addressed all specifics of Recommendations 3.a and 4.a. However, comments from the Commander, Naval Supply Systems Command, partially addressed Recommendation 3.b.

As a result of management comments, we redirected Recommendations 2.c, 3.c, 4.b, and 5 to the Chief of Staff, Army G-4; Commander, Naval Supply Systems Command; Director, Headquarters Air Force Logistics; and Director, Marine Corps Logistics Plans, Policy, and Strategic Mobility. Therefore, we request they provide additional comments on the recommendations by August 5, 2015. Please see the Recommendations Table on the back of this page.

## ***Recommendations Table***

Management	Recommendations Requiring Comment	No Additional Comments Required
Commander, U.S. Transportation Command	1.a, 1.b	
Chief of Staff, Army G-4	2.b, 2.c	2.a
Commander, Naval Supply Systems Command	3.b, 3.c	3.a
Director, Headquarters Air Force Logistics	4.b	4.a
Director, Marine Corps Logistics Plans, Policy, and Strategic Mobility	5	

Please provide Management Comments by August 5, 2015.





**INSPECTOR GENERAL  
DEPARTMENT OF DEFENSE**  
Yorktown Audit Office  
111 Cybernetics Way, Suite 110  
Yorktown, Virginia 23693

July 6, 2015

MEMORANDUM FOR COMMANDER, U.S. TRANSPORTATION COMMAND  
ASSISTANT SECRETARY OF THE AIR FORCE (FINANCIAL MANAGEMENT  
AND COMPTROLLER)  
AUDITOR GENERAL, DEPARTMENT OF THE ARMY  
NAVAL INSPECTOR GENERAL

SUBJECT: Patriot Express Program Could Be More Cost-Effective for Overseas Permanent Change  
of Station and Temporary Duty Travel (Report No. DODIG-2015-143)

We are providing this report for review and comment. Although the Patriot Express flights were not always the most economical mode of transportation for DoD personnel traveling overseas, it is an integral component to support DoD readiness and force protection. In addition, DoD did not maximize the use of available seats on Patriot Express flights that U.S. Transportation Command purchased through the Civil Reserve Air Fleet Program contracts. DoD travelers should use the program to the maximum extent possible to capitalize fully on its benefits. We conducted this audit in accordance with generally accepted government auditing standards.

We considered management comments on a draft of this report when preparing the final report. DoD Instruction 7650.03 requires that recommendations be resolved promptly. Comments from the Commander, U.S. Transportation Command, did not address all the specifics of Recommendations 1.a and 1.b. Comments from the Chief of Staff, Army G-4, addressed all the specifics of Recommendation 2.a and only partially addressed Recommendation 2.b. Comments from the Commander, Naval Supply Systems Command, and Director, Headquarters Air Force Logistics, addressed all the specifics of Recommendations 3.a and 4.a. However, comments from the Commander, Naval Supply Systems Command, only partially addressed the specifics of Recommendation 3.b. The Chief of Staff, Army G-4; Commander, Naval Supply Systems Command; Director, Headquarters Air Force Logistics; and Director, Marine Corps Logistics Plans, Policy, and Strategic Mobility did not comment on Recommendations 2.c, 3.c, 4.b, and 5 because they were redirected to them in the final report. Therefore, we request the Commander, U.S. Transportation Command; Chief of Staff, Army G-4; Commander, Naval Supply Systems Command; Director, Headquarters Air Force Logistics; and Director, Marine Corps Logistics Plans, Policy, and Strategic Mobility provide comments on the final report by August 5, 2015.

Please send a PDF file containing your comments to [audyorktown@dodig.mil](mailto:audyorktown@dodig.mil). Copies of your comments must have the actual signature of the authorizing official for your organization. We cannot accept the /Signed/ symbol in place of the actual signature. If you arrange to send classified comments electronically, you must send them over the SECRET Internet Protocol Router Network (SIPRNET).

We appreciate the courtesies extended to the staff. Please direct questions to me at (703) 604-9187 (DSN 664-9187).

A handwritten signature in blue ink, appearing to read "M. Roark", is positioned above the name of the Assistant Inspector General.

Michael J. Roark  
Assistant Inspector General  
Contract Management and Payments

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# Introduction

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## Objective

The objective of the audit was to determine whether using Patriot Express channels for overseas permanent change of station (PCS) and temporary duty travel (TDY) was cost-effective to DoD. See Appendix A for the scope and methodology and prior audit coverage.

## Background

The Civil Reserve Air Fleet (CRAF) Program is an alliance between the Department of Transportation, DoD, and U.S. commercial air carriers. Under CRAF, commercial air carriers volunteer aircraft resources to support DoD air travel requirements in times of emergency or contingency. In return, the commercial air carriers receive a portion of DoD's peacetime business. The Patriot Express Program is the peacetime passenger component of CRAF.

DoD established the Patriot Express Program to provide an incentive for commercial air carriers to participate in the CRAF Program and support DoD's operational readiness in times of conflict. The Patriot Express Program:

- provides increased force protection;
- improves travelers' quality of life through increased passenger service benefits;
- provides:
  - meals that are comparable to business class;
  - latest box office movies;
  - significantly reduced price pet travel compared to commercial flights; and
  - greater luggage weight allowances;
- keeps families together while moving;
- ensures travel solely with other DoD passengers; and
- alleviates travel inconveniences such as language barriers and currency exchanges.



Figure 1. Patriot Express plane interior  
Source: AMC Passenger Policy Branch Patriot Express Brochure



Figure 2. DoD air terminal ticketing area  
Source: DoD, Inspector General

DoD guidance<sup>1</sup> states DoD (active duty and civilian) international travelers must use U.S. Transportation Command (USTRANSCOM)-contracted flights, Patriot Express, before taking General Services Administration (GSA) commercial air service through the City Pair Program, unless there is a documented negative critical mission impact.

DoD guidance<sup>2</sup> directs the Commander, USTRANSCOM, as the single manager for common user transportation, to develop, publish, and maintain DoD Regulation 4500.9-R, Defense Transportation Regulation<sup>3</sup> (DTR). The DTR states that, unless there is a documented negative critical mission impact to justify nonusage, travelers should use Patriot Express for travel outside the continental United States (OCONUS), even if a commercial carrier can provide the service at less cost or if commercial air service is more convenient to the traveler.

### ***U.S. Transportation Command***

USTRANSCOM develops and maintains relationships between DoD and the commercial transportation industry to implement airlift programs, such as Patriot Express. USTRANSCOM manages the Transportation Working Capital Fund and uses it to fund the Patriot Express Program by chartering passenger flights through CRAF contracts. In FY 2014, USTRANSCOM exercised options on 5 contracts, for Patriot Express passenger flights, valued at approximately \$749.3 million.

<sup>1</sup> DoD Instruction 4500.57, "Transportation and Traffic Management," March 18, 2008, Enclosure 3, "Air Transportation."

<sup>2</sup> DoD Directive 4500.09E, "Transportation and Traffic Management," September 11, 2007.

<sup>3</sup> The DTR Part I, "Passenger Movement," January 29, 2015.



## ***Air Mobility Command***

Air Mobility Command (AMC), a component command of USTRANSCOM, is the manager for DoD airlift. AMC schedules Patriot Express channel flights on aircraft chartered for DoD international travel through the CRAF Program. When AMC charters an aircraft the carrier dedicates the entire flight for DoD use. The aircraft fly internationally between select military or commercial air terminals.

## **Review of Internal Controls**

DoD Instruction 5010.40, "Managers' Internal Control Program Procedures," May 30, 2013, requires DoD organizations to implement a comprehensive system of internal controls that provides reasonable assurance that programs are operating as intended and to evaluate the effectiveness of the controls. We identified internal control weaknesses with the Military Services' use of the Patriot Express Program; the processes USTRANSCOM and AMC used to evaluate the economics of Patriot Express channels; and the processes the Military Services used to book Patriot Express flights. Specifically, we identified weaknesses related to passengers who did not show for scheduled flights; forecasting Patriot Express route and channel requirements; processes to fully document Patriot Express costs; and processes to check availability for and book Patriot Express flights. We will provide a copy of the report to the senior officials responsible for internal controls at USTRANSCOM, AMC, and the Military Services.

## Finding

### DoD Could Realize Efficiencies in the Patriot Express Program

Although Patriot Express flights were not always the most economical mode of transportation for DoD personnel traveling overseas, the program is an integral component to support DoD readiness and force protection. In addition, for the five nonstatistically sampled routes we reviewed, DoD did not maximize the use of Patriot Express seats USTRANSCOM purchased through CRAF contracts. This occurred because:

- USTRANSCOM personnel did not consider all transportation costs when evaluating the economic feasibility of Patriot Express channels;<sup>4</sup>
- passengers<sup>5</sup> did not always take booked Patriot Express flights;
- USTRANSCOM did not have a documented process before June 2014 to forecast future years' Patriot Express passenger requirements; and
- some Military Services did not have controls in place to ensure that transportation office (TO) personnel checked Patriot Express availability for passengers traveling overseas.

As a result, DoD did not maximize its return on investment in the Patriot Express Program and overpaid for overseas travel.

### Patriot Express Travel Was Not Always the Most Economical Travel Option

Using Patriot Express channels for overseas PCS and TDY travel was not always the most economical travel option for DoD. Of the three Patriot Express channels we reviewed, the Ramstein channel was generally more expensive than commercial travel, the Aviano channel was generally less expensive than commercial travel, and the Bahrain channel was generally comparable in cost to commercial travel. Table 1 shows examples of the difference between the total transportation costs to DoD for passengers taking Patriot Express versus taking commercial flights.

<sup>4</sup> A channel is a scheduled stop within a Patriot Express route. For example, one route we evaluated departed from the Baltimore-Washington International Airport and included channel stops at Ramstein Air Base (AB), Germany; Aviano Air Base (AB), Italy; and Incirlik Air Base (AB), Turkey; and returned to Baltimore-Washington International Airport.

<sup>5</sup> DoD passengers traveling under official orders.

*Table 1. Cost Comparison Examples of Patriot Express Channels to Commercial Flight Segments Traveled by DoD Passengers*

Patriot Express Channel	Commercial Flight Segments Traveled by DoD Passengers	Patriot Express Rate	GSA City Pair Program Rate for Flight to Patriot Express Departure Airport	Total Transportation Cost to DoD for Patriot Express Travel <sup>1</sup>	Cost of Commercial Travel	Difference Between Total Transportation Cost of Patriot Express and Commercial Travel <sup>2</sup>
Baltimore – Ramstein	Dallas, TX – Frankfurt	\$1,122	\$406	\$1,528	\$443	\$1,085
	Miami, FL – Frankfurt	1,122	304	1,426	412	1,014
Baltimore – Aviano	Atlanta, GA – Venice	551	175	726	1,599	(873)
	Seattle, WA – Venice	551	274	825	1,549	(724)
Norfolk – Bahrain	San Diego, CA – Bahrain	1,293	211	1,504	1,208	296
	Atlanta, GA – Bahrain	1,293	180	1,473	1,549	(76)

<sup>1</sup> The total transportation cost to DoD for a passenger to take Patriot Express represents the FY 2014 Patriot Express rate plus the GSA City Pair Program rate for the flight required to deliver passengers to or from the designated Patriot Express airport.

<sup>2</sup> When the value in this column is positive, it represents that travel using Patriot Express is more expensive than commercial travel; and when the value is negative (in red), it represents that travel using Patriot Express is less expensive than commercial travel.

Table 1 demonstrates how large the disparity can be between the total cost of Patriot Express flights and commercial flights. For example, commercial flights to or from Frankfurt, Germany can cost \$1,085 less than Patriot Express flights to or from Ramstein, while commercial flights to or from Venice, Italy can cost \$873 more than Patriot Express flights to or from Aviano. See Appendix B for a listing of the flight cost comparisons for the Ramstein, Aviano, and Bahrain channels.

### ***USTRANSCOM Did Not Consider All Transportation Costs When it Evaluated Patriot Express Routes***

When USTRANSCOM evaluated Patriot Express channels for economic feasibility, USTRANSCOM did not consider the total transportation cost DoD incurred for passengers traveling overseas. Although USTRANSCOM used GSA City Pair Program<sup>6</sup> rates as the benchmark to establish flight rates for Patriot Express travel, USTRANSCOM only used the rates that represented the cost of travel

<sup>6</sup> The GSA developed the City Pair Program to provide discounted air passenger transportation services to Federal Government travelers. Airfares are unrestricted with no advance purchase required, no charge for cancellations or changes, and are fully refundable.

between the designated Patriot Express departure or arrival airport and the OCONUS channel stop. Those rates did not include the cost of additional domestic flights required to deliver passengers to the designated Patriot Express departure or arrival airports.

The DTR<sup>7</sup> requires USTRANSCOM to perform a transportation feasibility study to determine whether Patriot Express can service a channel economically. However, the DTR does not require USTRANSCOM, when evaluating channels, to consider additional transportation costs DoD incurred. Although USTRANSCOM performed these studies in accordance with the DTR, they did not consider the complete transportation cost to DoD associated with Patriot Express flights, including the transportation costs DoD incurred to get passengers to and from the Patriot Express departure or arrival airports; and therefore, did not accurately evaluate the total cost of Patriot Express channels. USTRANSCOM should update the DTR to require personnel who conduct transportation feasibility studies to consider all transportation costs when they evaluate the economics of channels, including the transportation costs associated with the travel of passengers to and from the Patriot Express departure or arrival airports. Additionally, USTRANSCOM should perform transportation feasibility studies on all Patriot Express routes to evaluate the economics of using Patriot Express channels for PCS and TDY travel, and take appropriate action, if warranted, to ensure the investment in the Patriot Express Program represents the best value to DoD.

### ***Patriot Express Provides Intangible Benefits to DoD***

Although Patriot Express flights were not always the most economical mode of transportation for DoD personnel traveling overseas, the program is important to maintain as the peacetime component of the CRAF Program. According to DoD guidance, through the Patriot Express Program, DoD offers peacetime business to contract carriers that participate in the CRAF Program to secure additional aircraft resources in times of conflict when airlift needs exceed the capability of military aircraft. USTRANSCOM personnel stated that the Patriot Express Program serves as an integral component supporting DoD's operational readiness and force protection, as well as improving travelers' quality of life. Additionally, Patriot Express flights provide increased service benefits, such as ensuring passengers travel solely with other DoD passengers, which commercial

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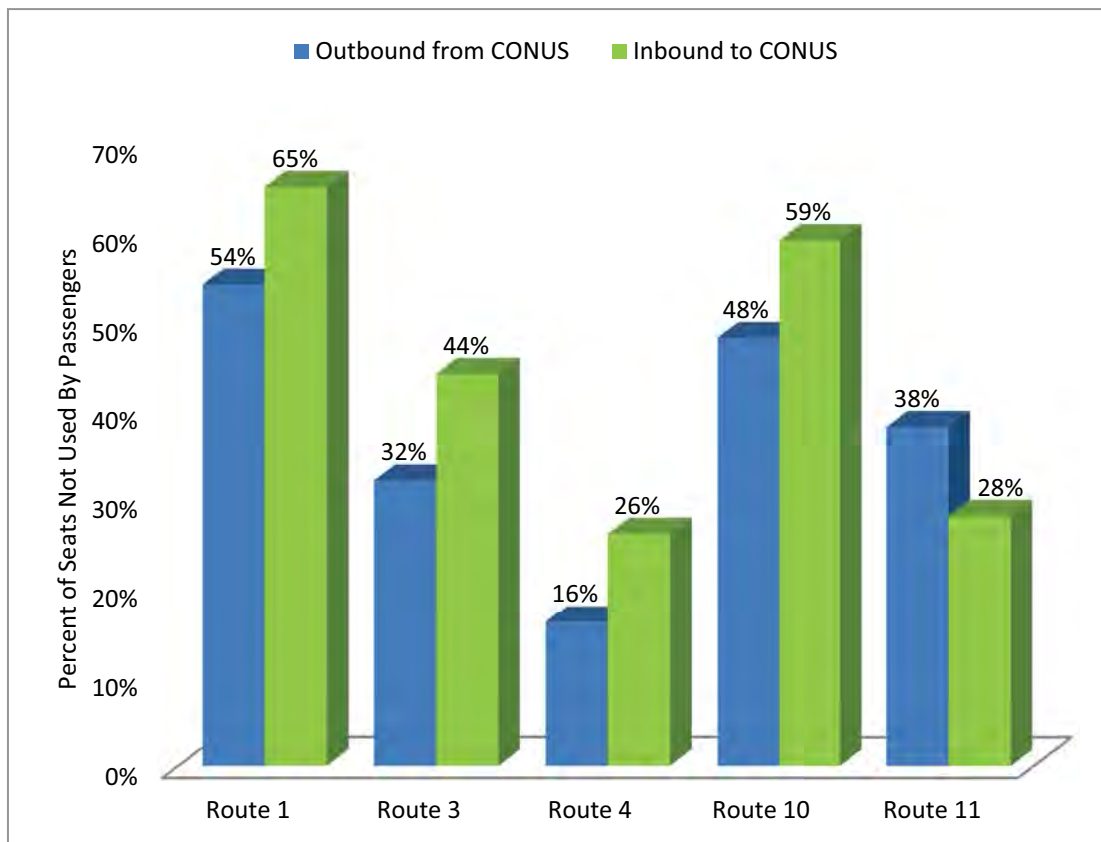
<sup>7</sup> The DTR Part I, Appendix K, "Establishing, Changing, Suspending, and Canceling Air Mobility Command (AMC) Channels," November 23, 2010.

flights generally cannot offer. USTRANSCOM should consider these factors when it determines the Patriot Express routes. Additionally, for those channels that USTRANSCOM determines are necessary, DoD should ensure that its travelers use those Patriot Express channels to the maximum extent possible to fully capitalize on its benefits and ensure full return on investment.

## Patriot Express Passenger Flights Were Underused

DoD personnel did not maximize the use of Patriot Express passenger flights USTRANSCOM chartered through CRAF contracts. The DTR states passengers must use USTRANSCOM-contracted flights, such as Patriot Express, for OCONUS travel unless there is a documented negative critical mission impact. However, the five Patriot Express routes we reviewed had excess capacity. Figure 3 shows the percentage of each route's seats not used by passengers.

Figure 3. FY 2014 Unused Patriot Express Seats



### Legend

- Route 1** Baltimore-Ramstein-Aviano-Incirk-Aviano-Ramstein-Baltimore (Weekly route)
- Route 3** Norfolk-Lajes-Naples-Souda Bay-Bahrain-Diego Garcia-Bahrain-Souda Bay-Naples-Lajes-Norfolk (Bi-weekly route)
- Route 4** Norfolk-Rota-Sigonella-Bahrain-Djibouti-Bahrain-Sigonella-Rota-Norfolk (Bi-weekly route)
- Route 10** Norfolk-Jacksonville-Guantanamo Bay-Jacksonville-Norfolk (Bi-weekly route)
- Route 11** Norfolk-Jacksonville-Guantanamo Bay-Jacksonville-Norfolk (Weekly route)



As illustrated in Figure 3, the five Patriot Express routes reviewed had a significant number of seats that USTRANSCOM chartered and DoD paid for, but were not filled by passengers. Specifically, Route 1 and Route 10<sup>8</sup> flew with over 50 percent of the seats not used by passengers. Since DoD did not accurately forecast and fill Patriot Express seats, it did not receive a full return on investment in the Patriot Express Program. We discuss DoD's loss on its investment in the Patriot Express Program on page 13 of this report.

Route 1 and Route 10 flew with over 50 percent of the seats not used by passengers.

### ***Passengers Did Not Always Take Booked Patriot Express Flights***

DoD personnel did not maximize the use of Patriot Express passenger flights because passengers did not always take booked Patriot Express flights. For example, in FY 2014, TOs booked over 227,000 passengers on Patriot Express flights; however, 15,586 passengers, or about 7 percent of the total passengers, booked on Patriot Express flights did not take their flight. AMC personnel attributed some of the no shows to TO and Commercial Travel Office personnel booking seats on both Patriot Express and commercial flights, and then passengers took the commercial flight without cancelling their bookings on the Patriot Express flights; thereby, becoming a no show. Table 2 shows the top 10 DoD entities that booked the highest number of no-show passengers in FY 2014.

In FY 2014, TOs booked over 227,000 passengers on Patriot Express flights; however, 15,586 passengers, or about 7 percent of the total passengers, booked on Patriot Express flights did not take their flight.

<sup>8</sup> According to AMC personnel, the smallest available aircraft was chartered for Routes 10 and 11.

Table 2. FY 2014 Top 10 DoD Entities with Highest Number of No Shows

DoD Booking Entity	Number of No-Show Passenger Bookings
Bahrain International, Bahrain	700
Guantanamo Bay Naval Station, Cuba (Port Call Booking)	687
Norfolk Naval Station, Virginia	655
Pensacola International, Florida	606
Guantanamo Bay Naval Station, Cuba (Navy TO)	456
Fort Hood Army Air Field, Texas	430
Al Udeid AB, Qatar	380
Drake Field, Arkansas	370
Ramstein AB	348
Osan AB, Korea	307

Source: Air Mobility Command's FY 2014 Channel Passenger Performance & Analysis Report

Additionally, half of the 10 top DoD entities with the highest number of no shows were located on the routes we reviewed, including Guantanamo Bay, Bahrain, Norfolk, and Ramstein. The Military Services, in coordination with USTRANSCOM, should perform a review to determine the primary reasons why passengers do not show up for, or cancel, booked Patriot Express flights and implement any necessary changes to the program, such as developing specific cancellation guidelines, to minimize the burden of no-show passengers.

### ***USTRANSCOM Developed a New Method to Forecast Passenger Requirements***

DoD personnel did not maximize the use of Patriot Express passenger flights because USTRANSCOM did not have a documented process before June 2014 to predict DoD's future needs. This contributed to USTRANSCOM overestimating the number of seats needed for some of the routes and resulted in low use of the Patriot Express routes reviewed.

In January 2014, USTRANSCOM transferred forecasting responsibilities to its Logistics Sustainment Division. In June 2014, Logistics Sustainment Division personnel developed "Channel Duty Passenger-Forecasting Business Rules V17." This document:

- outlines the new forecasting methodology;
- establishes a USTRANSCOM process and business rules; and
- describes the approach USTRANSCOM would use to estimate future passenger demands.

The DTR<sup>9</sup> requires USTRANSCOM to use historical data for passenger workload to project estimates of transportation requirements. Using the new methodology, USTRANSCOM tested and refined its forecasting process and business rules. For example, as of February 2015, USTRANSCOM monitored and tracked actual performance (a historical-based approach), to reduce DoD's FY 2015 channel passenger forecasted global requirements by as much as 29,460. Logistics Sustainment Division personnel stated that they would use the new methodology to forecast the Patriot Express requirements for the FY 2016 CRAF contracts.

We determined the new forecasting process and business rules were a good predictor of the passenger demands for future travel.

We determined the new forecasting process and business rules were a good predictor of the passenger demands for future travel. We also determined that the new methodology, a work in progress, is typical of a process to develop a valid and reliable model to forecast requirements. Because of USTRANSCOM's ongoing actions and steps taken to improve the predictability of DoD's future requirements, we will not make a recommendation in this area.

### ***Controls Over Booking Flights for OCONUS Travel Were Not Effective***

DoD personnel did not maximize the use of Patriot Express passenger flights because the Military Services did not always have adequate controls in place to ensure DoD travelers used Patriot Express when traveling overseas. Specifically, some of the Military Services' TO personnel did not have controls in place to ensure TO personnel checked Patriot Express availability before booking commercial flights and did not always place travel requests in a hold status to allow AMC to reallocate Patriot Express seats.

Some of the Military Services' TO personnel did not have controls in place to ensure TO personnel checked Patriot Express availability before booking commercial flights...

The DTR states travelers must use USTRANSCOM-contracted flights for OCONUS travel. Accordingly, TO personnel must check Patriot Express availability in the Global Air Transportation Execution System (GATES) before booking commercial flights for travelers. If no seats are available on the requested channel, TO personnel should place the request into a temporary hold status in GATES until AMC responds with Patriot Express reservations, or provides nonavailability statements, in accordance with the DTR, Part I.

<sup>9</sup> The DTR Part I, Appendix J, "Forecasting Passenger Air Mobility Command (AMC) Airlift Requirements," October 11, 2012.

The Marine Corps and Air Force had controls in place to ensure TO personnel checked Patriot Express availability in GATES before booking commercial travel for OCONUS TDY; however, the Army and Navy did not. For example, according to an Air Force Passenger Travel Policy representative, when an Air Force traveler submitted an OCONUS TDY itinerary in the Defense Travel System (DTS), used to make TDY travel arrangements, DTS automatically routed the OCONUS travel to TO personnel so that they could check Patriot Express availability before issuing commercial travel tickets. However, the Army and Navy did not have the automatic OCONUS routing to the TOs built into their DTS modules. The Army and Navy relied on their travelers to inform the travel offices that they were traveling OCONUS; therefore, if TO personnel are not notified, Patriot Express availability may not be checked.

While the Army and Navy did not have controls in place to check Patriot Express availability for TDY travel, according to TO personnel, the Military Services did check Patriot Express for PCS travel before booking travelers on commercial flights. However, according to transportation personnel, the Army, Navy, and Air Force TO personnel did not always place travelers in a temporary hold status in GATES when there was no Patriot Express availability. Placing a travel request in a hold status provides AMC personnel the option to reallocate Patriot Express seats from a different channel, if available, to accommodate a traveler seeking Patriot Express availability before authorizing commercial flights.

For example, if GATES showed no availability for a passenger request for Route 1, between Baltimore-Washington International Airport and Aviano AB, and TO personnel placed the passenger in a hold status, AMC personnel could have reallocated an unused seat from reserved blocks of seats pre-allocated to other stops along the route, such as Ramstein AB. If AMC could not reallocate a Patriot Express seat to accommodate the traveler, AMC personnel would issue a nonavailability statement that authorized TO personnel to book the traveler on a commercial flight.

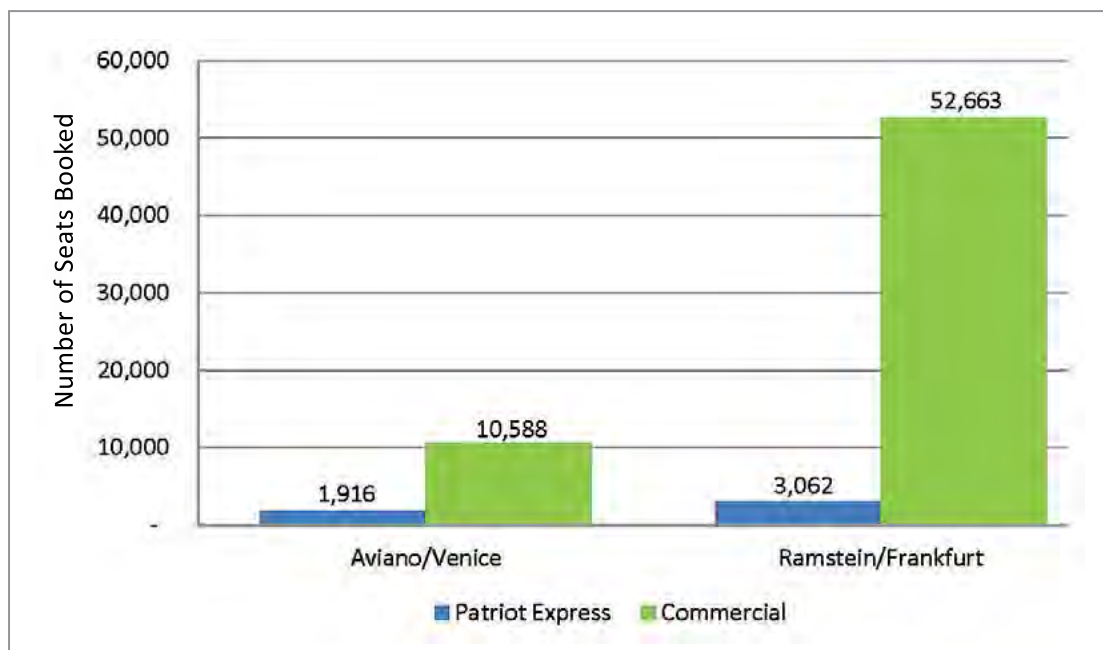
In FY 2014, AMC issued only 364 nonavailability statements to travelers for the five Patriot Express routes reviewed. Of those 364 nonavailability statements, AMC personnel issued 119 nonavailability statements for travelers taking Route 1 to and from Aviano AB and Ramstein AB. However, TO personnel booked 63,251 seats on commercial flights, for 46,077 passengers, to and from Venice, Italy, and Frankfurt, Germany.

AMC personnel issued 119 nonavailability statements for travelers taking Route 1... However, TO personnel booked 63,251 seats on commercial flights, for 46,077 passengers, to and from Venice, Italy, and Frankfurt, Germany.

Venice Marco Polo Airport and Frankfurt Airport are the closest comparable commercial airports, approximately 50–75 miles away from the corresponding Patriot Express channel stops.

Because TO personnel did not always check Patriot Express availability or place passengers in a hold status, a large number of travelers were booked on commercial flights in FY 2014. For example, Figure 4 compares the number of seats booked for Route 1 to and from Aviano AB and Ramstein AB with the number of seats booked on commercial flights to and from Venice Marco Polo Airport, Italy, and Frankfurt Airport, Germany.<sup>10</sup>

*Figure 4. Comparison of 2014 Route 1 Patriot Express and Commercial Seats*



As shown in Figure 4, TO personnel booked substantially more passengers flying to Italy and Germany on commercial seats rather than fill Patriot Express seats. The Army, Air Force, and Navy should establish and implement guidance to ensure that TO personnel hold records open until AMC makes a Patriot Express reservation or issues a nonavailability statement. In addition, the Army and Navy should implement controls in DTS to automatically route travel orders for OCONUS travel to TO personnel to check Patriot Express availability before booking commercial transportation.

<sup>10</sup> We excluded Incirlik, Turkey, from the Route 1 comparison because of safety and security warnings issued by the Department of State for Adana Sakirpasa Airport, the closest commercial airport to Incirlik.



## ***DoD Overpaid for Passenger TDY and PCS Travel***

The Military Services wasted DoD funds by booking passengers on commercial flights instead of using the Patriot Express Program. As a result, DoD incurred both the cost of the commercial flight and the “sunk,” or pre-paid cost of the unfilled Patriot Express seat. USTRANSCOM used the Transportation Working Capital Fund to purchase Patriot Express passenger flights it chartered through yearly contracts; therefore, USTRANSCOM paid for all of the seats it contracted for, whether the seats were used or not.

For example, Route 1 had 9,600 unfilled seats in FY 2014. However, according to data the Defense Travel Management Office provided, TO personnel booked 63,251 seats on commercial flights to Venice, Italy, and Frankfurt, Germany, in FY 2014. Of those 63,251 seats, 1,142 were on flights between Atlanta, Georgia, and Venice, Italy; and 3,449 were on flights between San Antonio, Texas, and Frankfurt, Germany.

If DoD recaptured all of those passengers into the Patriot Express Program, DoD would have saved an additional \$2.45 million<sup>11</sup> on OCONUS commercial flights. The \$2.45 million only represents savings for 4,591 of the 9,600 unfilled Patriot Express seats for Route 1; therefore, DoD could have avoided additional costs and realized additional savings by recapturing passengers to fill the remaining unused seats on Route 1, as well as unused seats on the other Patriot Express routes. While we recognize that the available

If DoD recaptured all of those passengers into the Patriot Express Program, DoD would have saved an additional \$2.45 million on OCONUS commercial flights.

Patriot Express seats may not meet the mission needs for all of the passengers booked on the 63,251 commercial seats, DoD must make every effort to maximize its use of the Patriot Express Program.

For Route 1, if AMC reallocated all 9,600 unused seats... DoD could have accommodated 9,600 of the 52,663 passengers that flew commercially to Frankfurt, Germany and DoD could have avoided a loss of up to \$10.7 million on its investment.

Additionally, by booking passengers on commercial flights when Patriot Express seats were available, DoD did not maximize its return on investment. For example, for Route 1, if AMC reallocated all 9,600 unused seats to the Ramstein AB channel, DoD could have accommodated 9,600 of the 52,663 passengers that flew commercially to Frankfurt, Germany, and

<sup>11</sup> The \$2.45 million represents \$1.63 million for the 1,142 commercial air seats between Atlanta, Georgia and Venice, Italy and \$0.82 million for the 3,449 commercial air seats between San Antonio, Texas and Frankfurt, Germany. While DoD spent a total \$3.42 million on commercial flights, we reduced the \$3.42 million by the cost of the commercial flight to get the passenger to or from the Patriot Express airport to represent the actual savings.

DoD could have avoided a loss of up to \$10.7 million<sup>12</sup> on its investment. While DoD may not recapture all OCONUS PCS and TDY travel on Patriot Express, it must ensure that Patriot Express is used to the maximum extent possible to reduce the waste of DoD funds and maximize its return on investment.

## Conclusion

USTRANSCOM personnel did not evaluate the overall economics of Patriot Express channels and the Military Services did not have controls in place to ensure DoD travelers used Patriot Express when traveling overseas. As a result, DoD did not maximize its return on investment in the Patriot Express Program and paid in excess for passengers traveling overseas. Patriot Express is an integral component supporting DoD readiness and force protection, and DoD travelers should use the program to the maximum extent possible to capitalize fully on its benefits.

## Management Comments on the Finding and Our Response

The summary of management comments on the finding and our response are in Appendix C.

## Recommendations, Management Comments, and Our Response

### ***Revised and Redirected Recommendation***

As a result of management comments from the Chief of Staff, USTRANSCOM, responding for the Commander, USTRANSCOM, to a draft of this report, we revised and redirected a recommendation from Commander, USTRANSCOM, to the Chief of Staff, Army G-4 (Recommendation 2.c); Commander, Naval Supply Systems Command (Recommendation 3.c); Director, Headquarters Air Force Logistics (Recommendation 4.b); and Director, Marine Corps Logistics Plans, Policy, and Strategic Mobility (Recommendation 5), which have the authority to implement the recommendation.

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<sup>12</sup> Because data was not available to show how AMC allocated the 9,600 unfilled Patriot Express seats among the channels, the exact loss on DoD's return on investment could not be calculated.

## Recommendation 1

We recommend that the Commander, U.S. Transportation Command:

- a. **Update the Defense Transportation Regulation Part I, Appendix K, to require that personnel who conduct transportation feasibility studies consider all transportation costs, including the additional transportation costs incurred by DoD for passengers traveling to and from the Patriot Express departure or arrival airports, when evaluating the economics of the Patriot Express channels.**

### *Commander, U.S. Transportation Command Comments*

The Chief of Staff, USTRANSCOM, responding for the Commander, USTRANSCOM, agreed, stating that the recommendation to identify the total transportation costs should be jointly addressed to the Military Services' and USTRANSCOM, which is not specifically addressed in the DTR Part I, Appendix K.<sup>13</sup> The Chief of Staff stated that the command requires the Military Services' information on travel costs to the Aerial Port of Embarkation and from the Aerial Port of Debarkation. He also stated that the Military Services have visibility of the PCS and TDY movement requirements they must budget for, where USTRANSCOM does not.

### *Our Response*

Comments from the Chief of Staff did not address the specifics of the recommendation. Although the Chief of Staff agreed with the recommendation, the comments provided did not meet the intent of the recommendation to update the DTR. Although the Services would have more information on specific PCS and TDY travel needs, according to DoD guidance,<sup>14</sup> USTRANSCOM is required to develop, publish, and maintain the DTR. USTRANSCOM is also required to coordinate changes and updates to the DTR with the Assistant Deputy Under Secretary of Defense for Transportation Policy and, as appropriate, with representatives from the Joint Staff, Military Departments, and Defense Logistics Agency.

As such, we do not agree with the Chief of Staff's position that the recommendation to update the DTR be jointly addressed to the Military Services and USTRANSCOM. Therefore, we request that the Commander, USTRANSCOM, describe how the command plans to carry out their responsibilities to revise the DTR to address the recommendation and provide additional comments to the final report.

<sup>13</sup> The DTR Part I, Appendix K, "Establishing, Changing, Suspending, and Canceling Air Mobility Command (AMC) Channels," November 23, 2010.

<sup>14</sup> DoD Directive 4500.09E, "Transportation and Traffic Management," September 11, 2007.

- b. Perform transportation feasibility studies on all Patriot Express channels to evaluate the economics of using Patriot Express for permanent change of station and temporary duty travel, including any additional transportation costs incurred by DoD for passengers traveling to and from the departure or arrival airports in the study. Pending the results of the studies, take appropriate action, if warranted.**

#### *Commander, U.S. Transportation Command Comments*

The Chief of Staff, USTRANSCOM, responding for the Commander, USTRANSCOM, agreed, stating that for USTRANSCOM to act on this recommendation, a series of variables must be further defined because an “unconstrained study” would be limitless and nearly impossible to conduct. Furthermore, he stated that to conduct a fair evaluation of any Patriot Express mission for duty passenger purposes, the scope would have to be substantially refined to a certain set of criteria bounding the most influential variables. Additionally, he stated that a study of this magnitude should also quantify the benefits of the Patriot Express program discussed in the narrative of the report (CRAF, force protection, unit integrity, and quality of life). Finally, the Chief of Staff stated that all Patriot Express routes are continuously monitored for efficiency and financial solvency.

#### *Our Response*

Comments from the Chief of Staff did not address the specifics of the recommendation. Although the Chief of Staff agreed with the recommendation, the comments did not meet the intent of the recommendation to consider the total transportation cost to DoD for Patriot Express travel when performing feasibility studies. The DTR<sup>15</sup> requires USTRANSCOM to perform a transportation feasibility study to determine whether Patriot Express can service a channel economically. Although the DTR does not specify the cost factors USTRANSCOM must consider when it performs transportation feasibility studies, we maintain that the cost of Patriot Express travel should include the Patriot Express rate plus the cost of additional flights to and from the Patriot Express departure or arrival airports. According to USTRANSCOM personnel, they performed these studies in accordance with the DTR; however, they did not consider the complete transportation cost to DoD associated with Patriot Express flights and, therefore, did not accurately evaluate the total transportation cost of Patriot Express channels. Additionally, the DTR does not specify that USTRANSCOM consider the value of the additional benefits, such as readiness or force protection benefits, offered by Patriot Express when conducting transportation feasibility studies to determine whether a channel can be serviced economically.

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<sup>15</sup> The DTR Part I, Appendix K, “Establishing, Changing, Suspending, and Canceling Air Mobility Command (AMC) Channels,” November 23, 2010.

Although the Chief of Staff stated that USTRANSCOM continuously monitors routes for efficiency and financial solvency, we identified that Patriot Express was not always the most economical mode of transportation for DoD passengers traveling overseas. Additionally, the five Patriot Express routes reviewed had a significant number of seats that were not filled by passengers. Specifically, we identified Route 1 and Route 10 flew with over 50 percent of the seats not used by passengers. Additionally, we discussed that the Military Services wasted DoD funds by booking passengers on commercial flights instead of using the Patriot Express Program. As a result, DoD incurred both the cost of the commercial flight and the “sunk” or pre-paid cost of the unfilled Patriot Express seats. We request that the Commander, USTRANSCOM, describe how the command plans to carry out their responsibilities to perform transportation feasibility studies as required by the DTR, and provide additional comments to the final report.

## ***Recommendation 2***

**We recommend that the Chief of Staff, Army G-4:**

- a. Establish and implement guidance to ensure that transportation office personnel hold records open until Air Mobility Command makes Patriot Express reservations or issues nonavailability statements.**

### ***Chief of Staff, Army G-4 Comments***

The Director, Strategic Logistics Integration, Army G-4, responding for the Chief of Staff, Army G-4, agreed, stating that the Army G-4 will publish a policy memorandum to ensure that TO personnel check Patriot Express availability in the GATES before booking commercial flights for OCONUS travelers. If a GATES reservation is not confirmed, TO personnel should place the request into a temporary hold for a maximum of 72 hours in GATES until AMC responds with Patriot Express reservations or provides nonavailability statements, in accordance with the DTR, Part I. The estimated completion date is August 2015.

### ***Our Response***

Comments from the Director addressed all specifics of the recommendation, and no further comments are required.



- b. Implement controls in the Defense Travel System to automatically route all travel orders for travel outside of the continental United States to transportation office personnel to check Patriot Express availability before booking commercial transportation.**

*Chief of Staff, Army G-4 Comments*

The Director, Strategic Logistics Integration, Army G-4, responding for the Chief of Staff, Army G-4, agreed, stating that although the functionality to include conditional routing exists in DTS, the TOs are not currently manned to support the increased workload. He stated that the Office of the Deputy Chief of Staff, Army G-4, will work with the Defense Travel Management Office to discuss the possibility of transferring the GATES function to the continental United States Commercial Travel Office contract during the next solicitation period. He stated that Commercial Travel Office personnel will verify availability in accordance with DTR, Part I before they issue commercial air tickets.

According to the Director, the base period of the continental United States contracts became effective from April 1, 2015, through March 31, 2016, and there are 3 option periods lasting 4 months each that are valid through March 31, 2017. Finally, he stated that language for the transfer of the function to the Europe/Pacific contract is included in the performance work statement for solicitation and award in 2016 and the estimated completion date is March 2016.

*Our Response*

Comments from the Director partially addressed the specifics of the recommendation. The Director acknowledged that conditional routing exists in DTS and because of the increased workload required to implement the recommendation, he discussed potentially transferring the function from the TOs to the Commercial Travel Office. We request that the Chief of Staff, Army G-4, provide additional comments to the final report on the details of his implementation plan once completed.

- c. **Perform a review to determine the primary reasons why passengers do not show up for, or cancel, booked Patriot Express flights and implement any necessary changes to the program, such as developing specific cancellation guidelines or reimbursement policy, to minimize the burden of no-show passengers.**

#### *Chief of Staff, Army G-4 Comments*

The Chief of Staff, Army G-4, did not respond to Recommendation 2.c because we redirected the recommendation to the Chief of Staff from the draft version of this report.

#### *Our Response*

We request that the Chief of Staff provide comments on the final report.

### **Recommendation 3**

**We recommend that the Commander, Naval Supply Systems Command:**

- a. **Establish and implement guidance to ensure that transportation office personnel hold records open until Air Mobility Command makes Patriot Express reservations or issues nonavailability statements.**

#### *Commander, Naval Supply Systems Command Comments*

The Commander, Naval Supply Systems Command, agreed, stating that there is currently no written guidance specifically advising the TOs to hold records open until AMC issues nonavailability statements, although it is assumed and should be standard practice. He stated the Naval Supply Systems Command will publish Naval Supply Instruction 4650.9 with guidance that requires TOs to place reservations on hold in GATES pending AMC's confirmation or issuance of a nonavailability statement when seats are not available on a specific channel. The estimated completion date is September 30, 2015.

#### *Our Response*

Comments from the Commander addressed all specifics of the recommendation, and no further comments are required.

- b. Implement controls in the Defense Travel System to automatically route all travel orders for travel outside of the continental United States to transportation office personnel to check Patriot Express availability before booking commercial transportation.**

*Commander, Naval Supply Systems Command Comments*

The Commander, Naval Supply Systems Command, partially agreed, stating that implementing controls within DTS to automatically route OCONUS travel to the TOs would require command Organizational Defense Travel Administrators to update all command routing lists to include a “Conditional Routing” step to support its Navy Passenger Transportation Office. He stated that implementing this change would result in a significant increase in the Navy Passenger Transportation Office workload to review every OCONUS record to check AMC availability. This would more than likely drive a manpower increase at various Navy Passenger Transportation Offices to accommodate the increased workload. He also stated that the change will also require additional policy and operational guidance. The Commander stated that the recommendation requires coordination by the Naval Supply Systems Command DTS Program Management Office with Naval Supply Systems Command Code 313 for policy and guidance, the Navy Personnel Command for manpower and execution, and the Navy Personnel Command Lead Defense Travel Administrator for creating each Navy Passenger Transportation Office’s DTS organization. He stated that implementation would be dependent on Navy Personnel command resource availability for the increased workload. The estimated completion date is September 30, 2015.

*Our Response*

Comments from the Commander partially addressed the specifics of the recommendation. The Commander acknowledged that conditional routing exists in DTS but the increased workload necessary to implement the recommendation required significant internal coordination. We request that the Commander, Naval Supply Systems Command, provide additional comments to the final report on the details of his implementation plan once completed.

- c. **Perform a review, in coordination with the Commander, U.S. Transportation Command, to determine the primary reasons why passengers do not show up for, or cancel, booked Patriot Express flights and implement any necessary changes to the program, such as developing cancellation guidelines, to minimize the burden of no-show passengers.**

#### *Commander, Naval Supply Systems Command Comments*

The Commander, Naval Supply Systems Command, did not respond to Recommendation 3.c because we redirected the recommendation to the Commander from the draft version of this report.

#### *Our Response*

We request that the Commander provide comments on the final report.

### **Recommendation 4**

**We recommend that the Director, Headquarters Air Force Logistics**

- a. **Establish and implement guidance to ensure that transportation office personnel hold records open until Air Mobility Command makes Patriot Express reservations or issues nonavailability statements.**

#### *Director, Headquarters Air Force Logistics Comments*

The Associate Director of Logistics, Headquarters Air Force, responding for the Director, Headquarters Air Force Logistics, agreed, stating that an interim change to the Air Force Instruction 24-101, "Passenger Movement," will be staffed to include clarifying guidance to transportation officers mandating that all GATES travel requests be placed on hold until AMC makes the Patriot Express reservations, or issues a nonavailability statement, except when there is a documented negative critical mission impact. The estimated completion date to update the guidance is September 30, 2015.

#### *Our Response*

Comments from the Associate Director addressed all specifics of the recommendation, and no further comments are required.

- b. Perform a review, in coordination with the Commander, U.S. Transportation Command, to determine the primary reasons why passengers do not show up for, or cancel, booked Patriot Express flights and implement any necessary changes to the program, such as developing cancellation guidelines, to minimize the burden of no-show passengers.**

*Director, Headquarters Air Force Logistics Comments*

The Director, Headquarters Air Force Logistics, did not respond to Recommendation 4.b because we redirected the recommendation to the Director from the draft version of this report.

*Our Response*

We request that the Director provide comments on the final report.

**Recommendation 5**

**We recommend the Director, Marine Corps Logistics Plans, Policy, and Strategic Mobility, in coordination with the Commander, U.S. Transportation Command, perform a review to determine the primary reasons why passengers do not show up for, or cancel, booked Patriot Express flights and implement any necessary changes to the program, such as developing cancellation guidelines, to minimize the burden of no-show passengers.**

*Director, Marine Corps Logistics Plans, Policy, and Strategic Mobility Comments*

The Director, Marine Corps Logistics Plans, Policy, and Strategic Mobility, did not respond to Recommendation 5 because we redirected the recommendation to the Director from the draft version of this report.

*Our Response*

We request that the Director provide comments on the final report.



## Appendix A

### Scope and Methodology

We conducted this performance audit from August 2014 through May 2015 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

To accomplish our objective, we evaluated various aspects of the Patriot Express Program. Specifically, we:

- assessed the overall cost-effectiveness of Patriot Express flights;
- compared the number of Patriot Express and commercial flights DoD passengers booked;
- reviewed USTRANSCOM's process for forecasting for Patriot Express flight requirements; and
- evaluated the Military Services' procedures for booking overseas travel, including checking for Patriot Express availability.

Although there were 11 Patriot Express passenger routes, we limited our review to 5 nonstatically sampled routes that had low use for FY 2014 and channel stops that could be reasonably serviced by commercial air. The five routes we reviewed included:

- Route 1: Baltimore-Ramstein-Aviano-Incirlik-Aviano-Ramstein-Baltimore. Weekly mission.
- Route 3: Norfolk-Lajes-Naples-Souda Bay-Bahrain-Diego Garcia-Bahrain-Souda Bay-Naples-Lajes-Norfolk. Bi-weekly mission.
- Route 4: Norfolk-Rota-Sigonella-Bahrain-Djibouti-Bahrain-Sigonella-Rota-Norfolk. Bi-weekly mission.
- Route 10: Norfolk-Jacksonville-Guantanamo Bay-Jacksonville-Norfolk. Bi-weekly mission.
- Route 11: Norfolk-Jacksonville-Guantanamo Bay-Jacksonville-Norfolk. Weekly mission.

We further limited our commercial data analysis to the commercial airports closest to the Patriot Express Route 1 channels, including Frankfurt International Airport, Germany, and Venice Marco Polo Airport, Italy. We also reviewed the overall cost-effectiveness of the Bahrain channel stop included in Routes 3 and 4.

### ***Cost-Effectiveness of Patriot Express***

To determine the cost-effectiveness of Patriot Express flights, we identified alternate OCONUS commercial airports within close proximity to the Patriot Express channel stops we reviewed. We requested FY 2014 commercial travel data for flights between the nearest OCONUS commercial airports to the Patriot Express channels and continental United States (CONUS) commercial airports. From the commercial travel data, we selected CONUS commercial airports where passengers took 100 or more transoceanic flights in FY 2014 to perform the cost-effectiveness analysis.

We determined the total transportation costs for Patriot Express travel by adding the cost of commercial air transportation for the passenger to get to or from the Patriot Express airport, (the GSA City Pair Program rate for a domestic flight), to the FY 2014 Patriot Express rate, for each flight segment we identified. We then compared the total Patriot Express transportation costs to the cost of a commercial flight directly between the identified CONUS and OCONUS airports. For instances in which there was no GSA City Pair Program rate for the commercial flight, we calculated an average base ticket rate by using the cost of tickets DoD purchased in FY 2014 for passengers.

Additionally, we calculated the potential overpayment on overseas air travel DoD incurred during FY 2014 by multiplying the cost of a commercial flight by the total number of passengers that flew commercially during the year. We calculated DoD's loss on return on investment in the Patriot Express Program during FY 2014 by multiplying the total unfilled seats on Route 1 by the Patriot Express rates applicable to the route.

### ***Patriot Express Use***

We calculated the number and percentage of Patriot Express seats not used for each of the five Patriot Express routes by comparing the total annual seats available for FY 2014<sup>16</sup> to the number of FY 2014 Patriot Express seats filled by passengers.<sup>17</sup> We limited our review to transoceanic flights. We calculated the number of commercial flights from data provided by the Defense Travel Management Office from the Commercial Travel Information Management system. We summarized the data by channels where passengers took 100 or more flights. We then calculated the number of passengers by removing all "duplicate" ticket numbers.

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<sup>16</sup> We obtained the total annual FY 2014 Patriot Express passenger seats available from the FY 2014 CRAF contracts and modifications.

<sup>17</sup> We obtained the number of FY 2014 Patriot Express seats filled by DoD passengers from the Gates system.

We determined the number of nonavailability statements AMC issued from the FY 2014 GATES nonavailability listing provided by AMC. From the nonavailability data, we limited our analysis to requests with an origin or destination on one of the five routes we reviewed.

### ***Patriot Express Forecasting Process***

We reviewed policies, regulations, and instructions related to travel eligibility on-board aircraft operated by or for the DoD and related to the process to forecast DoD's future channel passenger requirements. We interviewed USTRANSCOM logistics personnel and examined documentation they provided to determine whether their method reasonably predicted passenger demand. In addition, by examining USTRANSCOM-provided forecast accuracy reports as of February 2015, we assessed USTRANSCOM's status that improved, monitored, and adjusted the channel passenger forecasts and the FY 2016 Patriot Express Program's contract needs.

### ***Military Service Booking Procedures for Overseas Air Travel***

We interviewed or visited the Military Services' travel or TOs to understand their guidance and procedures for booking overseas PCS and TDY travel. We reviewed the process to route and book OCONUS TDY orders submitted in DTS, as well as the manual process to book OCONUS travel for PCS moves. We also obtained and compared Service policies on the use of Patriot Express for OCONUS travel to the DTR requirement for Patriot Express.

## **Use of Computer-Processed Data**

We used computer-processed data to perform this audit. Specifically, we used data obtained from GATES to identify the number of FY 2014 Patriot Express flights and data obtained from the Commercial Travel Information Management system to identify the number of FY 2014 commercial flights taken by passengers. We also used the data to calculate average commercial flight costs when GSA City Pair Program rates were not established.

To determine the reliability of the GATES data, we compared the data to passenger manifests obtained from AMC for a sample of passengers to ensure the system accurately accounted for passengers that took Patriot Express flights. Additionally, we determined the reliability of the Commercial Travel Information Management data by comparing the data to travel vouchers obtained from DTS and credit card statements obtained from the CitiDirect Card Management System for a sample of passengers to ensure the system accurately accounted for passengers that took commercial flights and captured commercial flight costs.

We also used a listing of all the FY 2014 Patriot Express passenger missions flown from the Commercial Operations Integrated System. We used this data to calculate total costs, total seats purchased, and total number of flights related to passenger only Patriot Express flights and our sample routes. To validate the data, we compared the missions flown to the CRAF contract documentation obtained from the Electronic Document Access online portal. Based on the validation steps performed we determined the data were sufficiently reliable to support the audit findings.

## Use of Technical Assistance

The DoD Office of Inspector General Quantitative Methods Division assisted in evaluating the “Channel Duty Passenger – Forecasting Business Rules V17,” June 27, 2014, which USTRANSCOM personnel stated they used to estimate and reconcile future demand. Specifically, the Quantitative Methods Division reviewed documentation USTRANSCOM provided on its methodology and determined it was a work in progress, which is typically the process to develop a valid and reliable forecasting model. The review indicated that USTRANSCOM was adequately developing the forecasting method.

We also coordinated with the Quantitative Methods Division to obtain samples of records from the populations of GATES and Commercial Travel Information Management data used to support the audit findings to validate the accuracy of the data.

## Prior Coverage

During the last 5 years, the GAO, the DoD IG, and Air Force Audit Agency issued eight reports that discussed Patriot Express. Unrestricted GAO reports can be accessed at <http://www.gao.gov>. Unrestricted DoD IG reports can be accessed at <http://www.dodig.mil/pubs/index.cfm>. Unrestricted Air Force reports can be accessed from <https://www.efoia.af.mil/palMain.aspx> by clicking on Freedom of Information Act Reading Room and then selecting audit reports.

**GAO**

Report No. GAO-13-564, "Military Airlift - DoD Needs to Take Steps to Manage Workload Distributed to the Civil Reserve Air Fleet," June 20, 2013

**DoD IG**

Report No. DODIG-2014-076, "Opportunities for Cost Savings and Efficiencies in the DoD Permanent Change of Station Program," May 21, 2014

**Air Force**

Report No. F2011-0016-FDE000, "Patriot Express Utilization 86th Airlift Wing Ramstein AB Germany," November 24, 2010

Report No. F2011-0012-FBP000, "Patriot Express 18th Wing Kadena AB Japan," January 7, 2011

Report No. F2011-0006-FC4000, "Patriot Express," April 1, 2011

Report No. F2011-003-FBP000, "Patriot Express 374th Airlift Wing Yokota AB Japan," October 12, 2010

Report No. F2010-0118-FDE000, "Patriot Express Utilization 386th Air Expeditionary Wing Southwest Asia," September 9, 2010

Report No. F2010-0113-FDE000, "Patriot Express Utilization 379th Air Expeditionary Wing Southwest Asia," August 31, 2010

## Appendix B

### Cost Comparison of Patriot Express Channels to Commercial Flight Segments

*Table B-1. Cost Comparison of Ramstein Patriot Express Channel to Commercial Flight Segments<sup>18</sup>*

Commercial Flight Segment to Frankfurt, Germany	Patriot Express Rate	GSA City Pair Program Rate for Flight to Baltimore	Total Transportation Cost to DoD for Patriot Express Travel <sup>1</sup>	Cost of Commercial Travel	Difference Between Total Transportation Cost of Patriot Express and Commercial Travel <sup>2</sup>
Dallas, Texas	\$1,122	\$406	\$1,528	\$443	\$1,085
Miami, Florida	1,122	304	1,426	412	1,014
Cincinnati, Ohio	1,122	486	1,608	599	1,009
Newark, New Jersey	1,122	247	1,369	363	1,006
Columbia, South Carolina	1,122	445	1,567	599	968
San Diego, California	1,122	350	1,472	515	957
Fort Walton Beach, Florida	1,122	427	1,549	599	950
San Francisco, California	1,122	349	1,471	524	947
Minneapolis, Minnesota	1,122	400	1,522	599	923
Little Rock, Arkansas	1,122	306	1,428	513	915
New York City, New York	1,122	152	1,274	363	911
Los Angeles, California	1,122	303	1,425	515	910

<sup>18</sup> Based on the commercial travel data, there were 77 total CONUS commercial airports with 100 or more flights to or from Frankfurt, Germany. We performed cost comparisons for all 77 CONUS commercial airports; however, only the top 20 were included in Table B-1 for presentation purposes.



*Table B-1. Cost Comparison of Ramstein Patriot Express Channel to Commercial Flight Segments (cont'd)*

Commercial Flight Segment to Frankfurt, Germany	Patriot Express Rate	GSA City Pair Program Rate for Flight to Baltimore	Total Transportation Cost to DoD for Patriot Express Travel <sup>1</sup>	Cost of Commercial Travel	Difference Between Total Transportation Cost of Patriot Express and Commercial Travel <sup>2</sup>
Denver, Colorado	1,122	259	1,381	485	896
Phoenix, Arizona	1,122	288	1,410	521	889
San Antonio, Texas	1,122	224	1,346	461	885
Salt Lake City, Utah	1,122	355	1,477	599	878
Austin, Texas	1,122	450	1,572	721	851
Chicago, Illinois	1,122	166	1,288	438	850
Omaha, Nebraska	1,122	252	1,374	525	849
El Paso, Texas	1,122	287	1,409	562	847

<sup>1</sup> The total transportation cost to DoD for a passenger to take Patriot Express represents the FY 2014 Patriot Express rate plus the GSA City Pair Program rate for the flight required to deliver passengers to the designated Patriot Express departure airport.

<sup>2</sup> When the value in this column is positive, it represents that travel using Patriot Express is more expensive than commercial travel; and when the value is negative, it represents that travel using Patriot Express is less expensive than commercial travel.

*Table B-2. Cost Comparison of Aviano Patriot Express Channel to Commercial Flight Segments*

Commercial Flight Segment to Venice, Italy	Patriot Express Rate	GSA City Pair Program Rate for Flight to Baltimore	Total Transportation Cost to DoD for Patriot Express Travel <sup>1</sup>	Cost of Commercial Travel	Difference Between Total Transportation Cost of Patriot Express and Commercial Travel <sup>2</sup>
Philadelphia, Pennsylvania	\$551	\$173	\$724	\$495	\$229
New York City, New York	551	152	703	491	212
El Paso, Texas	551	287	838	746	92
Columbus, Georgia	551	536	1,087	1,008	79
St. Louis, Missouri	551	220	771	714	57
Orlando, Florida	551	178	729	706	23
Phoenix, Arizona	551	288	839	818	21
Los Angeles, California	551	303	854	849	5
Washington Dulles, Dulles, Virginia	551	0	551	551	0
Reagan National, Arlington, Virginia	551	0	551	551	0
Salt Lake City, Utah	551	355	906	944	(38)
Chicago, Illinois	551	166	717	812	(95)
Raleigh, North Carolina	551	167	718	840	(122)
Richmond, Virginia	551	129	680	810	(130)

*Table B-2. Cost Comparison of Aviano Patriot Express Channel to Commercial Flight Segments (cont'd)*

Commercial Flight Segment to Venice, Italy	Patriot Express Rate	GSA City Pair Program Rate for Flight to Baltimore	Total Transportation Cost to DoD for Patriot Express Travel <sup>1</sup>	Cost of Commercial Travel	Difference Between Total Transportation Cost of Patriot Express and Commercial Travel <sup>2</sup>
Norfolk, Virginia	551	200	751	899	(148)
Kansas City, Missouri	551	211	762	920	(158)
Dallas, Texas	551	406	957	1,149	(192)
Fayetteville, North Carolina	551	219	770	975	(205)
Tucson, Arizona	551	218	769	986	(217)
Las Vegas, Nevada	551	278	829	1,122	(293)
San Antonio, Texas	551	224	775	1,078	(303)
Tampa, Florida	551	210	761	1,199	(438)
Seattle, Washington	551	274	825	1,549	(724)
Atlanta, Georgia	551	175	726	1,599	(873)

<sup>1</sup> The total transportation cost to DoD for a passenger to take Patriot Express represents the FY 2014 Patriot Express rate plus the GSA City Pair Program rate for the flight required to deliver passengers to the designated Patriot Express departure airport.

<sup>2</sup> When the value in this column is positive, it represents that travel using Patriot Express is more expensive than commercial travel; and when the value is negative, it represents that travel using Patriot Express is less expensive than commercial travel.

*Table B-3. Cost Comparison of Bahrain Patriot Express Channel to Commercial Flight Segments*

Commercial Flight Segment to Bahrain, Bahrain	Patriot Express Rate	GSA City Pair Program Rate for Flight to Norfolk	Total Transportation Cost to DoD for Patriot Express Travel <sup>1</sup>	Cost of Commercial Travel	Difference Between Total Transportation Cost of Patriot Express and Commercial Travel <sup>2</sup>
San Diego, California	\$1,293	\$211	\$1,504	\$1,208	\$296
Atlanta, Georgia	1,293	180	1,473	1,549	(76)

<sup>1</sup> The total transportation cost to DoD for a passenger to take Patriot Express represents the FY 2014 Patriot Express rate plus the GSA City Pair Program rate for the flight required to deliver passengers to the designated Patriot Express departure airport.

<sup>2</sup> When the value in this column is positive, it represents that travel using Patriot Express is more expensive than commercial travel; and when the value is negative, it represents that travel using Patriot Express is less expensive than commercial travel.

## Appendix C

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### Discussion of Management Comments on the Background and Finding

USTRANSCOM provided comments on the Background and Finding sections of the report. The full text of the USTRANSCOM comments are in the Management Comments section following the Appendixes.

#### ***Management Comments on Background and Our Response***

##### *Commander, U.S. Transportation Command Comments*

The Chief of Staff, USTRANSCOM, responding for the Commander, USTRANSCOM, stated that there is a very large commercial cargo component to the CRAF program as well as the Patriot Express passenger flight component.

##### *Our Response*

We agree and revised the statement in the report to acknowledge that Patriot Express is the peacetime passenger portion of the CRAF program.

#### ***Management Comments on “USTRANSCOM Did Not Consider All Transportation Costs When it Evaluated Patriot Express Routes” and Our Response***

##### *Commander, U.S. Transportation Command Comments*

The Chief of Staff, USTRANSCOM, responding for the Commander, USTRANSCOM, suggested we modify our finding to state “USTRANSCOM did not consider all transportation costs to include impacts on assessed measures by benefits analysis.” The Chief of Staff also stated that readiness and force protection benefits would significantly impact the results of a holistic economic review.

##### *Our Response*

In the report section “USTRANSCOM Did Not Consider All Transportation Costs When it Evaluated Patriot Express Routes,” we relied on the DTR,<sup>19</sup> which requires USTRANSCOM to perform a transportation feasibility study to determine whether Patriot Express can service a channel economically. Therefore, during our review we focused on the cost elements associated with Patriot Express travel. Although the DTR does not specify the cost factors

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<sup>19</sup> The DTR Part I, Appendix K, “Establishing, Changing, Suspending, and Canceling Air Mobility Command (AMC) Channels,” November 23, 2010.

USTRANSCOM must consider when performing transportation feasibility studies, we considered the total transportation costs to DoD for Patriot Express travel, which included the Patriot Express rate plus the cost of additional flights to and from the Patriot Express departure or arrival airports. The DTR does not specify that USTRANSCOM consider the value of the additional benefits, such as readiness or force protection benefits, Patriot Express offers as part of the transportation feasibility studies, which determine whether a channel can be serviced economically.

While the intangible benefits are not a direct part of the transportation feasibility study, we agree that USTRANSCOM should consider these intangible benefits when it determines the Patriot Express routes. In the report section “Patriot Express Provides Intangible Benefits to DoD,” we acknowledge that USTRANSCOM should consider other factors besides the economics of the channel, such as force protection and readiness, when it determines whether to establish or remove a Patriot Express channel. In that section we identified some of those benefits and acknowledged that although Patriot Express flights were not always the most economical mode of transportation for DoD personnel traveling overseas, the program was important to maintain as the peacetime passenger component of the CRAF Program. Additionally, we stated in that section that USTRANSCOM should consider these intangible benefits when it determines the Patriot Express routes.

### ***Management Comments on “Passengers Did Not Always Take Booked Patriot Express Flights” and Our Response***

#### ***Commander, U.S. Transportation Command Comments***

The Chief of Staff, USTRANSCOM, responding for the Commander, USTRANSCOM, stated that the finding discussion stated that neither the DTR nor AMC had guidance to require personnel to cancel bookings in a specific time, and the statement was inaccurate. The Chief of Staff provided a reference to the DTR,<sup>20</sup> that includes a requirement for the traveler to contact the TO and cancel or change reservations immediately if circumstances prevent the use of the accommodation reserved.

The Chief of Staff also stated that USTRANSCOM has the capability to determine the number of no-show passengers on DoD flights; however, it does not have access to reasons why a passenger was a no-show for the flight. The Chief of Staff further stated that the Military Services are required to comply with procedural guidance in the DTR and must be part of the solution to determine the reason a passenger fails to take the flight.

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<sup>20</sup> The DTR Part I, Chapter 102, “General Travel Provisions,” November 14, 2014.



### *Our Response*

We agree with the reference provided in the DTR and removed the statement from the report. Additionally, please see the Redirected Recommendation section of this report for a summary of the actions we took to revise and redirect the recommendation in the draft report related to no-shows.

## ***Management Comments on “DoD Overpaid for Passenger TDY and PCS Travel” and Our Response***

### *Commander, U.S. Transportation Command Comments*

The Chief of Staff, USTRANSCOM, responding for the Commander, USTRANSCOM, stated that the finding discussion associating the 9,600 unfilled seats on Patriot Express flights with the more than 60,000 commercial flights to Italy and Germany was unclear. The Chief of Staff continued that comparing unused seats with the number of commercial flights taken is not comparable. Additionally, the Chief of Staff stated that the finding did not consider the reasons why Patriot Express may not have been the best choice due to mission requirements, routing guidance, and exceptions for contingency routing.

### *Our Response*

We revised the section to clarify that the more than 60,000 flights discussed in the report represented seats booked on commercial flights. The revision allowed an easier comparison between unfilled Patriot Express seats and booked commercial seats. We maintain that there may have been opportunities for TOs to use some of the 9,600 unfilled seats on Patriot Express rather than booking seats on commercial flights. Additionally, the report acknowledged that the available Patriot Express seats may not have met the mission needs for all of the DoD passengers booked in 63,251 commercial seats; however, DoD must make every effort to maximize its use of the Patriot Express Program.

## Management Comments

### U.S. Transportation Command Comments



**UNITED STATES TRANSPORTATION COMMAND**  
508 SCOTT DRIVE  
SCOTT AIR FORCE BASE, ILLINOIS 62225-6357

12 June 2015


MEMORANDUM FOR DEPARTMENT OF DEFENSE INSPECTOR GENERAL

FROM: TCCS

SUBJECT: DODIG Draft Report, "Patriot Express Program Could Be More Cost-Effective for Overseas Permanent Change of Station and Temporary Duty Travel"  
(Project No.D2014-D000CJ-0192.000)

1. The United States Transportation Command (USTRANSCOM) has reviewed the subject report and concurs with comments to recommendations 1a, 1b, and 1c, and provides a comment matrix to the findings identified in the draft report.

2. For additional information or assistance, please contact [REDACTED], TCIG, at [REDACTED] or email: [REDACTED] or [REDACTED]

  
DAVID G. CLARKSON  
Major General, U, S, Army  
Chief of Staff

2 Attachments:  
1. USTRANSCOM Response  
2. Comment Matrix

cc:  
TCJ3  
TCJ5/4  
TCAQ  
AMC/A4T  
618 AOC (TACC)/XOG

## U.S. Transportation Command Comments (cont'd)

### DEPARTMENT OF DEFENSE INSPECTOR GENERAL

DODIG Draft Report, "Patriot Express Program Could Be More Cost-Effective for Overseas Permanent Change of Station and Temporary Duty Travel"  
(Project No.D2014-D000CJ-0192.000)

#### Recommendation 1

DODIG recommends that the Commander, U.S. Transportation Command:

a. Update the Defense Transportation Regulation Part I, Appendix K, to require that personnel who conduct transportation feasibility studies consider all transportation costs, including the additional transportation costs incurred by DoD for passengers traveling to and from the Patriot Express departure or arrival airports, when evaluating the economics of the Patriot Express channels.

**USTRANSCOM RESPONSE:** Concur with comments

The recommendation to identify the total transportation costs should be jointly addressed to the Services and USTRANSCOM, which is not specifically addressed in the Defense Transportation Regulation, Part 1, Appendix K.

**Rationale:** USTRANSCOM requires the Services information on travel costs to the Aerial Port of Embarkation (APOE) and from the Aerial Port of Debarkation (APOD). The Services have visibility of the PCS/TDY movement requirements they must budget for where USTRANSCOM does not.

b. Perform transportation feasibility studies on all Patriot Express channels to evaluate the economics of using Patriot Express for permanent change of station and temporary duty travel, including any additional transportation costs incurred by DoD for passengers traveling to and from the departure or arrival airports in the study. Pending the results of the studies, take appropriate action, if warranted.

**USTRANSCOM RESPONSE:** Concur with comments

To act on this recommendation a series of variables must be further defined because "unconstrained study" would be limitless and nearly impossible to conduct. In order to conduct a fair evaluation of any Patriot Express mission for duty passenger purposes, the scope would have to be substantially refined to a certain set of criteria bounding the most influential variables. For example:

- Where is the PCS/TDY move originating from (current duty station)?
- What is the final destination of the passenger?
- What is the PCS/TDY destination?
- Are there dependents, if so how many?
- Will a pet be moved?

## U.S. Transportation Command Comments (cont'd)

Secondly, a study of this magnitude should also include a quantification of benefits of the Patriot Express program mentioned in the narrative of the report (CRAF, force protection, unit integrity, and quality of life)

**Rationale:** It should also be noted that all Patriot Express routes are continuously monitored (by route) for efficiency and financial solvency. Patriot Express capacity decisions are made annually supporting requirements that maintain a substantial contribution to the business TRANSCOM offers members of the Civil Reserve Air Fleet under the International Services Contract. This annually procured capacity directly supports the requirements necessary to sustain air capacity readiness in times of need allowing TRANSCOM to carry out its mission. Although each route is continuously analyzed for efficiency, adjustments to CRAF capacity through the annual contract period must include a 90 day lead time to allow booked passengers to make alternate arrangements. TRANSCOM and AMC will continue to monitor individual Patriot Express routes for measures of efficiency while balancing capacity requirements to support documented readiness requirements.

c. Perform a review to determine the primary reasons why passengers do not show up for, or cancel, booked Patriot Express flights and implement any necessary changes to the program, such as developing specific cancellation guidelines or reimbursement policy, to minimize the burden of no-show passengers.

**USTRANSCOM RESPONSE:** Concur with comments

TRANSCOM and AMC have the ability to pull data for no-show passengers through GATES, but do not have the ability to determine rationale for not fulfilling the reservation. No-show causality analysis should be led and conducted by the Military Services as TRANSCOM and AMC are only operators of the Patriot Express Program and do not have insight into no-show rationale on a micro level.

Revised, redirected,  
and renumbered draft  
Recommendation 1.c as  
Recommendations 2.c,  
3.c, 4.b, and 5

## U.S. Transportation Command Comments (cont'd)

1. ITEM	2. #	3. Source	4. TYPE	5. PAGE	6. Task	7. LINE	8. COMMENT	9. RATIONALE	10. DECISION (A/R/M)
1		TCJ4-P [REDACTED]	C	8			<p>Amend the Finding "Passengers Did Not Always Take Booked Patriot Express Flights" to correct inaccuracy:</p> <p>The Finding includes a reason for no show passengers was attributed in part due to the traveler possessing multiple reservations and not canceling the unneeded reservation. The Finding also states neither the DTR nor AMC had guidance to require personnel to cancel bookings in a specific timeframe. This is inaccurate.</p> <p>The following DTR references require a traveler to cancel reservations immediately if circumstances prevent use as well as prohibits duplicate bookings on any mode:</p> <p>DTR Part I, Chapter 102, D.4.          "4. When transportation reservations have been confirmed and changes are required, notifications of the change must be made expeditiously by all entities involved. TOs must instruct travelers, or persons in charge of group movements, that it is their responsibility to contact the TO and cancel or change reservations immediately if circumstances prevent use of the accommodation reserved."</p> <p>DTR Part I, Chapter 102.B.  <b>"B. DUAL COMMITMENT TRANSPORTATION</b>          Dual commitment transportation refers to travelers or government entities that make duplicate bookings on any mode of transportation, or are working to have two types of transportation (military and commercial). Commercial air/rail/bus transportation will not be requested or scheduled for DOD group travel (defined for</p>	Accuracy. Correct inaccurate finding.	

Deleted



## U.S. Transportation Command Comments (cont'd)

1. ITEM	2. #	3. Source	4. TYPE	5. PAGE	6. Task	7. LINE	8. COMMENT	9. RATIONALE	10. DECISION (A/R/M)
							this purpose as 10 or more seats) unless all actions to obtain military transportation have been terminated. DOD travelers and government entities will practice prudent use of all modes of commercial transportation to enable the DOD to continue to access low cost commercial travel."		
2		TCJ4-P [REDACTED]	S	13			Amend the Finding "DoD Overpaid for Passenger TDY and PCS Travel" to clarify language in the second paragraph associating unfilled seats on DoD aircraft (9,600) with the number of commercial flights (60,000) to Venice, Italy and Frankfurt, Germany in FY2014.	Clarity. Unable to gather any usable information when comparing the use of unfilled "seats" with the number of commercial flights which are not comparable. Additionally, the finding does not take into consideration reasons why PE may not have been the best choice due to mission requirements, applicable routing guidance and exceptions for contingency routing (Manas Transit Center closure), etc.	
3		TCJ4-P [REDACTED]	C	14			Amend Recommendation 1.c to reflect that it is the Military Services responsibility to work with USTRANSCOM in determining the primary reasons why passengers do not show up for, or cancel, booked Patriot Express Flights..."	Accuracy. USTRANSCOM has the capability to determine the number of no-show passengers on DoD flights however USTRANSCOM does not have access to reasons why a passenger was a no-show for the flight. Military Services are responsible for complying with procedural guidance in the DTR and must be part of the solution to determine the reason a passenger fails to meet the required port call travel date.	
4		TCJ4-L [REDACTED]	C	4			Amend finding indicating USTRANSCOM did not consider all transportation costs to include impacts on assessed measures by benefit analysis. Readiness and force protection benefits stated in the prior paragraph will significantly impact the results of a holistic economic review.	Clarity. The objective of the audit was to determine whether using Patriot Express channels for overseas permanent change of station and temporary duty travel was cost-effective to DoD. To conduct a full economic analysis, there must be a consideration of benefits to ensure accurate results.	
5		618 AOC/ XOG		1			Reword last sentence of para 2 to "Patriot Express is a peacetime component to CRAF."	Clarity. There is a very large commercial cargo component to the CRAF program as	

Revised, Pages 11,  
12, and 13

Revised, Page 9

Revised



## U.S. Transportation Command Comments (cont'd)

1. ITEM	2. #	3. Source	4. TYPE	5. PAGE	6. Task	7. LINE	8. COMMENT	9. RATIONALE	10. DECISION (A/R/M)
		[REDACTED]						well.	

## Army G-4 Comments



DEPARTMENT OF THE ARMY  
OFFICE OF THE DEPUTY CHIEF OF STAFF, G-4  
500 ARMY PENTAGON  
WASHINGTON, DC 20310-0500

DALO-SI

12 JUN 2015

MEMORANDUM THRU Deputy Chief of Staff, G-4, 500 Army Pentagon,  
Washington, DC 20310

FOR Inspector General Department of Defense, Yorktown Audit Office, 111 Cybernetics  
Way, Suite 110, Yorktown, VA 23693

SUBJECT: Patriot Express Program Could Be More Cost-Effective for Overseas  
Permanent Change of Station and Temporary Duty Travel (Project No. D2014-  
DOOOCJ-0192.000)

1. Reference, Inspector General U.S. Department of Defense Report, 8 May 2015,  
subject: Patriot Express Program Could Be More Cost-Effective for Overseas  
Permanent Change of Station and Temporary Duty Travel (Project No. D2014-  
DOOOCJ-0192.000).

2. The objective of the audit was to determine whether using Patriot Express channels  
for overseas permanent change of station and temporary duty travel was cost effective  
to the Department of Defense. The audit report provided two recommendations for the  
Office of the Deputy Chief of Staff, G-4.

a. Recommendation 2.a: Establish and implement guidance to ensure that  
transportation office personnel hold records open until Air Mobility Command (AMC)  
makes Patriot Express reservations or issues non-availability statements.

Command Response: The Office of the Deputy Chief of Staff (ODCS), G-4 concurs and  
will publish a policy memorandum for all transportation offices to ensure that  
transportation office personnel check Patriot Express availability in the Global Air  
Transportation Execution System (GATES) before booking commercial flights for  
outside of the continental U.S. (OCONUS) travelers. If GATES reservation is not  
confirmed, transportation office personnel should place the request into a temporary  
hold for a maximum of 72 hours in GATES until AMC responds with Patriot Express  
reservations or provide nonavailability statements, in accordance with the Defense  
Transportation Regulation (DTR), Part I. Completion date: August 2015

b. Recommendation 2.b: Implement controls in the Defense Travel System (DTS)  
to automatically route all travel orders for travel OCONUS to transportation office  
personnel to check Patriot Express availability before booking commercial  
transportation.

## Army G-4 Comments (cont'd)

DALO-SI

SUBJECT: Patriot Express Program Could Be More Cost-Effective for Overseas Permanent Change of Station and Temporary Duty Travel (Project No. D2014-DOOOCJ-0192.000)


Command Response: ODCS, G-4 concurs. While the functionality to include a conditional routing exists in DTS, the transportation offices however, are not currently manned to support the increase workload. ODCS, G-4 will work with the Defense Travel Management Office to discuss the possibility of transferring the GATES function to the CONUS Commercial Travel Office (CTO) contract during the next solicitation period. CTOs will verify availability in accordance with DTR, Part I before issuing commercial air tickets. The base period of the CONUS contracts became effective 1 April 2015 – 31 March 2016. There are three (four) month option periods that could run through 31 March 2017. Language for the transfer of the function to the Europe/Pacific contract is included in the Performance Work Statement for solicitation and award in 2016. Completion date: March 2016.

3. The Inspector General also identified internal control weaknesses with the Military Services' use of the Patriot Express Program; the processes U.S. Transportation Command (USTRANSCOM) and AMC used to evaluate the economics of Patriot Express channels; and the processes the Military Services used to book Patriot Express flights. Specifically, the Inspector General identified weaknesses related to passengers who did not show for scheduled flights; forecasting Patriot Express route and channel requirements; processes to fully document Patriot Express costs; and processes to check availability for and book Patriot Express flights.

a. The ODCS, G-4 concurs with the internal control weakness related to passengers who did not show for scheduled flights and processes to check availability for and book Patriot Express flights.

b. The ODCS, G-4 will publish a policy memorandum for all transportation offices to ensure that office personnel check Patriot Express availability in the GATES before booking commercial flights for OCONUS travelers. Memorandum will include guidance stating that when mission requirements do not allow travel on AMC, reservations need to be cancelled to avoid no shows and double bookings. USTRANSCOM/AMC will address the internal control weaknesses (para 3). Completion date: August 2015.

4. The point of contact is [REDACTED], commercial [REDACTED], DSN [REDACTED], or email: [REDACTED]

  
CHRISTOPHER J. SHARPSTEN  
Brigadier General, GS  
Director, Strategic Logistics Integration

## Naval Supply Systems Command Comments



DEPARTMENT OF THE NAVY  
NAVAL SUPPLY SYSTEMS COMMAND  
5450 CARLISLE PIKE  
PO BOX 2050  
MECHANICSBURG PA 17055-0791

IN REPLY REFER TO  
7510  
Ser NOIG/035

JUN 10 2015

From: Commander, Naval Supply Systems Command  
To: Department of Defense Inspector General,  
Program Director, Contract Management and Payments


Subj: NAVSUP COMMENTS ON DODIG DRAFT AUDIT REPORT ON PATRIOT  
EXPRESS PROGRAM COULD BE MORE COST-EFFECTIVE FOR OVERSEAS  
PERMANENT CHANGE OF STATION AND TEMPORARY DUTY TRAVEL  
(D2014-0192)

Ref: (a) DoDIG Draft Audit Report (D2014-0192)

Encl: (1) NAVSUP comments to DoDIG Draft Audit Report

1. Per reference (a), enclosure (1) provides NAVSUP comments to  
Recommendations 3.a and 3.b.

2. For any questions, please contact my Chief of Staff, [REDACTED]  
[REDACTED], at [REDACTED], DSN [REDACTED], or e-mail at  
[REDACTED].

  
J. A. YUEN

Copy to:  
NAVINGEN

## Naval Supply Systems Command Comments (cont'd)

DODIG DRAFT AUDIT REPORT: "PATRIOT EXPRESS PROGRAM COULD BE MORE COST-EFFECTIVE FOR OVERSEAS PERMANENT CHANGE OF STATION AND TEMPORARY DUTY TRAVEL" (Project No. D2014-D000CJ-0192.000) of 8 MAY 2015.

**FINDING:** USTRANSCOM personnel did not evaluate the overall economics of Patriot Express channels and the Military Services did not have controls in place to ensure DOD travelers used Patriot Express when traveling overseas. As a result, DOD did not maximize its return on investment in the Patriot Express Program and paid in excess for passengers traveling overseas. Patriot Express is an integral component supporting DOD readiness and force protection, and DOD travelers should use the program to the maximum extent possible to capitalize fully on its benefits.

### Recommendation 3:

We recommend that the Commander, Naval Supply Systems Command:

a. Establish and implement guidance to ensure that transportation office personnel hold records open until Air Mobility Command makes Patriot Express reservations or issues non-availability statements.

### NAVSUP comment:

Concur. The NAVPTOs (Navy Passenger Transportation Offices) fall under BUPERS (Chief, Bureau of Naval Personnel); administratively realigned from Commander, Naval Installation Command (CNIC) Oct 2013; but receive their operational guidance from NAVSUP Code 313, as outlined in OPNAVINST 4650.1B. There is currently no written guidance specifically advising the NAVPTOs to hold records open until Air Mobility Command (AMC) issues non-availability statements, although it is assumed and should be standard practice. This recommendation will be successfully completed with the publication of pending NAVSUPINST 4650.9, with specific guidance in paragraph 3.8-b:

"Government Air or AMC Channel Airlift (Patriot Express). AMC/PE airlift is the primary method for the movement of Navy travelers with overseas destinations and shall be used by all PDT and TDY travelers when it is available and meets mission requirements. When seats are not available on a specific channel, TOs will place the reservation on hold in GATES pending AMC's confirmation or issuance of a non-availability statement."

## Naval Supply Systems Command Comments (cont'd)

The Estimated Completion Date for publication of NAVSUPINST 4650.9 is 30 September 2015.

### Recommendation 3b:

Implement controls in the Defense Travel System (DTS) to automatically route all travel orders for travel outside of the continental United States (OCNUS) to transportation office personnel to check Patriot Express availability before booking commercial transportation.

### NAVSUP comment:

Partially Concur. Implementing the controls within DTS to automatically route OCONUS travel to the TOs currently exists. The change would require command Organizational Defense Travel Administrators (DTAs) to update all command routing lists to include a "Conditional Routing" step to its supporting NAVPTO. However, NAVPERSCOM is the major stakeholder in the actual implementation, as once the DTS controls are enacted, there will be a significant increase in the NAVPTO workload to review every OCONUS record and check/book AMC availability. The increased workload will more than likely drive a manpower increase at various NAVPTOs to accommodate the increased workload. NAVPTOs must work with their Echelon II Lead Defense Travel Administrator (LDTA) to create their DTS organization. This will also require additional policy/operational guidance be developed, as the NAVPTOs currently have no involvement with DTS processes. As such, this recommendation requires coordination by the NAVSUP DTS Program Management Office with NAVSUP Code 313 for policy/guidance, NAVPERSCOM for manpower and execution, and NAVPERSCOM LDTA. Implementation will be dependent on NAVPERSCOM resource availability for the increased workload.

Additionally, travel using Patriot Express will be paid for outside of DTS. As these will be non-DTS Transportation of People transactions posted to the accounting system that are associated with DTS travel, this process should be reviewed by Navy Financial Management Office to ensure alignment with Financial Improvement and Audit Readiness guidance. Estimated Completion Date is 30 September 2015.



## Headquarters Air Force Logistics Comments



DEPARTMENT OF THE AIR FORCE  
HEADQUARTERS UNITED STATES AIR FORCE  
WASHINGTON, DC

09 JUN 2015

MEMORANDUM FOR DEPARTMENT OF DEFENSE OFFICE OF INSPECTOR GENERAL  
(CONTRACT MANAGEMENT AND PAYMENTS)

FROM: HQ USAF/A4L  
1030 Air Force Pentagon  
Washington, DC 20330-1030

SUBJECT: DoD IG Draft Report--Patriot Express Program Could Be More Cost-Effective for Overseas Permanent Change of Station and Temporary Duty Travel (Project No. D2014-D000CJ-0192.000)

Reference: (a) Inspector General, Department of Defense, Draft Report dated 8 May 2014, SUBJECT: Patriot Express Program Could Be More Cost-Effective for Overseas Permanent Change of Station and Temporary Duty Travel (Project No. D2014-D000CJ-0192.000)

Thank you for the opportunity to review your draft Audit report regarding the cost effectiveness of DoD's Patriot Express Program for Overseas Permanent Change of Station and Temporary Duty Travel. We appreciate the opportunity afforded to review your findings prior to final publication. Our management comments in response to the report's recommendation are below.

RECOMMENDATION (1): We recommend that the Director, Headquarters Air Force Logistics establish and implement guidance to ensure that transportation office personnel hold records open until Air Mobility Command makes Patriot Express reservations or issues non-availability statements.

COMMENT: Concur with finding. An Interim Change to the Air Force travel policy publication, AFI 24-101, Passenger Movement, will be staffed to include clarifying guidance to Transportation Offices mandating all GATES unsupported travel requests, are placed in a "Hold" status, until Air Mobility Command makes the Patriot Express reservations or issues non-availability statements, except where there is a documented negative critical mission impact. Estimated Completion Date: 30 Sep 15.

Implementation of recommendations to update policy and standard operating procedures satisfies internal control weakness identified in the report.

In summary, the Air Force greatly appreciates the efforts of the DoD IG to identify recommended improvement areas to make this important program more cost effective. We are confident these improvements will enable us to obtain efficiencies to reduce costs. Please feel free to direct any questions to my point of contact, [REDACTED], Chief, Logistics Readiness Division, DSN [REDACTED].

  
WILLIAM R. KOINTZ, Colonel, USAFR  
Associate Director of Logistics  
DCS/Logistics, Engineering & Force Protection



## Acronyms and Abbreviations

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<b>AMC</b>	Air Mobility Command
<b>CONUS</b>	Continental United States
<b>CRAF</b>	Civil Reserve Air Fleet
<b>DTR</b>	Defense Transportation Regulation
<b>DTS</b>	Defense Travel System
<b>GSA</b>	General Services Administration
<b>GATES</b>	Global Air Transportation Execution System
<b>OCNUS</b>	Outside the Continental United States
<b>PCS</b>	Permanent Change of Station
<b>TDY</b>	Temporary Duty
<b>TO</b>	Transportation Office
<b>USTRANSCOM</b>	U.S. Transportation Command

# **Whistleblower Protection**

## **U.S. DEPARTMENT OF DEFENSE**

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